

WASHINGTON STATE DEPARTMENT OF REVENUE

SPECIAL NOTICE

October 4, 2002

**To File a No Use Tax Return:
call 1-800-426-1776**

For general tax information contact:
Telephone Information Center
1-800-647-7706 or (360) 486-2345

OLD LETTER

USE TAX OBLIGATIONS OF BUSINESSES

The Department of Revenue routinely reviews the tax reporting practices of registered taxpayers to ensure proper reporting. We are contacting you with this reminder because, according to our records, you have not recently reported any **use tax** on the Combined Excise Tax Returns and may have overlooked a tax obligation.

Businesses owe either sales tax or use tax on tangible personal property used or consumed in conducting their business (this excludes goods held for sale i.e., inventory). Generally, sales tax should be paid when purchasing such items. However, if you make purchases directly from out-of-state sellers via the Internet, telemarketing, and mail order, you may not have been charged sales tax. If you did not pay tax on such purchases, you need to report use tax on these items. The following list contains examples of purchases on which you may owe the use tax:

- ◆ **Consumable supplies** such as stationery, forms, books, magazines, canned software, office supplies, etc.
- ◆ **Capital assets** such as furniture, office equipment, computers, copy machines, fax machines, etc.

Timeframe - Under the statute of limitations, the current timeframe that is open to audit or making tax adjustments is from January 1, 1998 through the year 2002. Therefore, please take some time to review your purchases made since January 1, 1998.

If You Owe Use Tax - Report the total amount of your purchases on which no tax has been paid on the use tax line, the local use tax line, and the Region Transit Authority line (if you are located within the RTA district) of your Combined Excise Tax Return.

For those reporting on a Sales Tax Remittance Return, there is no provision for reporting use tax on that form. If you have use tax to report, you will need to file a regular Annual Combined Excise Tax Return. To obtain a copy, visit our web site at <http://docwa.gov> and click on FORMS. You may also call us to obtain the form.

If You Do Not Owe Use Tax - If, after reviewing your purchases, you determine that you do not owe use tax, we request that you call 1-800-426-1776 to file a No Use Tax Return. This toll free number is an automated service used only to file the No Use Tax Return for this mailing. To report that you owe no use tax, you will need your nine-digit registration number and simply follow the directions given through the automated system. The nine-digit number is printed on the tax return, above the name/address label.

Once you have contacted us (either by reporting use tax on your Combined Excise Tax Return or by filing a No Use Tax Return) you will receive no follow-up letters regarding the use tax program.

To inquire about the availability of this document in an alternate format for the visually impaired, please call (360) 486-2342. Teletype (TTY) users please call 1-800-451-7985.

